
31A-22-613.5(3)(e) - MEDICAL COMPLICATION EXCLUSIONS REPORT

31A-22-613.5. Price and value comparisons of health insurance -- Basic Health Care Plan.

- (1) (a) Except as provided in Subsection (1)(b), this section applies to all health insurance policies and health maintenance organization contracts.
 - (b) Subsection (3) applies to:
 - (i) all health insurance policies and health maintenance organization contracts; and
 - (ii) coverage offered to state employees under Subsection 49-20-202(1)(a).
- (2) The commissioner shall adopt a Basic Health Care Plan consistent with this section to be offered under the open enrollment provisions of Chapter 30, Individual, Small Employer, and Group Health Insurance Act.
- (3) (a) The commissioner shall promote informed consumer behavior and responsible health insurance and health plans by requiring an insurer issuing health insurance policies or health maintenance organization contracts to provide to all enrollees, prior to enrollment in the health benefit plan or health insurance policy, written disclosure of:
 - (i) restrictions or limitations on prescription drugs and biologics including the use of a formulary and generic substitution;
 - (ii) coverage limits under the plan; and
 - (iii) any limitation or exclusion of coverage including:
 - (A) a limitation or exclusion for a secondary medical condition related to a limitation or exclusion from coverage; and
 - (B) beginning July 1, 2009, easily understood examples of a limitation or exclusion of coverage for a secondary medical condition.
- (b) In addition to the requirements of Subsections (3)(a), (d), and (e) an insurer described in Subsection (3)(a) shall file the written disclosure required by this Subsection (3) to the commissioner:
 - (i) upon commencement of operations in the state; and
 - (ii) anytime the insurer amends any of the following described in Subsection (3)(a):
 - (A) treatment policies;
 - (B) practice standards;
 - (C) restrictions;
 - (D) coverage limits of the insurer's health benefit plan or health insurance policy; or
 - (E) limitations or exclusions of coverage including a limitation or exclusion for a secondary medical condition related to a limitation or exclusion of the insurer's health insurance plan.
- (c) The commissioner may adopt rules to implement the disclosure requirements of this Subsection (3), taking into account:
 - (i) business confidentiality of the insurer;
 - (ii) definitions of terms;
 - (iii) the method of disclosure to enrollees; and
 - (iv) limitations and exclusions.
- (d) If under Subsection (3)(a)(i) a formulary is used, the insurer shall make available to prospective enrollees and maintain evidence of the fact of the disclosure of:
 - (i) the drugs included;
 - (ii) the patented drugs not included;
 - (iii) any conditions that exist as a precedent to coverage; and
 - (iv) any exclusion from coverage for secondary medical conditions that may result from the use of an excluded drug.
- (e) Before December 1, 2008, insurers subject to this Subsection (3) shall report to the Legislature's Health and Human Services Interim Committee and Business and Labor Interim Committee, either collectively or independently regarding insurer efforts to inform enrollees of any limitation of coverage or exclusion for a secondary medical condition when an enrollee, or someone on the enrollee's behalf, contacts the insurer for pre-authorization of a procedure or use of a drug that is excluded or limited from coverage.

- (f) (i) The department shall develop examples of limitations or exclusions of a secondary medical condition that an insurer may use under Subsection (3)(a)(iii).
- (ii) Examples of a limitation or exclusion of coverage provided under Subsection (3)(a)(iii) or otherwise are for illustrative purposes only, and the failure of a particular fact situation to fall within the description of an example does not, by itself, support a finding of coverage.
- (4) The Basic Health Care Plan adopted by the commissioner under this section shall provide for:
 - (a) a lifetime maximum benefit per person not to exceed \$1,000,000;
 - (b) an annual maximum benefit per person not less than \$250,000;
 - (c) an out-of-pocket maximum of cost-sharing features:
 - (i) including:
 - (A) a deductible;
 - (B) a copayment; and
 - (C) coinsurance;
 - (ii) not to exceed \$5,000 per person; and
 - (iii) for family coverage, not to exceed three times the per person out-of-pocket maximum provided in Subsection (4)(c)(ii);
 - (d) in relation to its cost-sharing features:
 - (i) a deductible of:
 - (A) not less than \$1,500 per person for major medical expenses; and
 - (B) for family coverage, not to exceed three times the per person deductible for major medical expenses under Subsection (4)(d)(i)(A); and
 - (ii) (A) a copayment of not less than:
 - (I) \$25 per visit for office services; and
 - (II) \$150 per visit to an emergency room; or
 - (B) coinsurance of not less than:
 - (I) 20% per visit for office services; and
 - (II) 20% per visit for an emergency room; and
 - (e) in relation to cost-sharing features for prescription drugs:
 - (i) (A) a deductible not to exceed \$1,000 per person; and
 - (B) for family coverage, not to exceed three times the per person deductible provided in Subsection (4)(e)(i)(A); and
 - (ii) (A) a copayment of not less than:
 - (I) the lesser of the cost of the prescription drug or \$15 for the lowest level of cost for prescription drugs;
 - (II) the lesser of the cost of the prescription drug or \$25 for the second level of cost for prescription drugs; and
 - (III) the lesser of the cost of the prescription drug or \$35 for the highest level of cost for prescription drugs; or
 - (B) coinsurance of not less than:
 - (I) the lesser of the cost of the prescription drug or 25% for the lowest level of cost for prescription drugs;
 - (II) the lesser of the cost of the prescription drug or 40% for the second level of cost for prescription drugs; and
 - (III) the lesser of the cost of the prescription drug or 60% for the highest level of cost for prescription drugs.

Amended by Chapter 241, 2008 General Session

Amended by Chapter 345, 2008 General Session